

Employment, Economic and Trust Fund Trends



December 10, 2009

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Director, Labor Market Information

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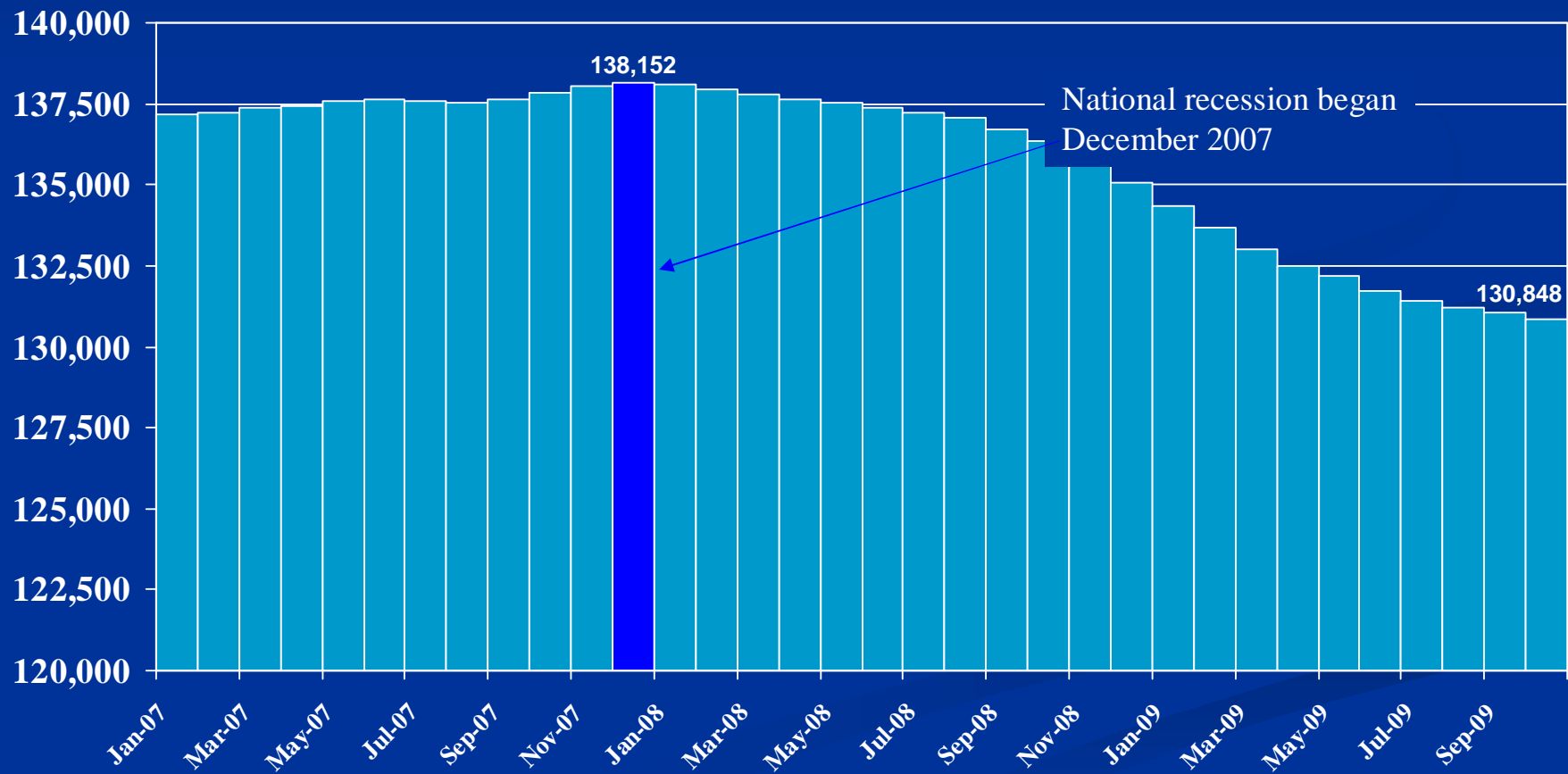
Assistant Chairman, Finance and Administration

National Situation

- **Between December 2007 and October 2009**
 - **Decrease of 7.3 million (5.3%) Non-farm Jobs**
 - **3.7 million Goods Producing**
 - 2.1 million - Manufacturing
 - 1.6 million – Construction
 - **3.6 million Service Providing**
 - 1.7 million - Trade Transportation and Utilities
 - 925,800 - Retail Trade
 - 1.5 million - Professional and Business Services
 - 933,400 - Employment Services
 - .5 million – Financial Activities

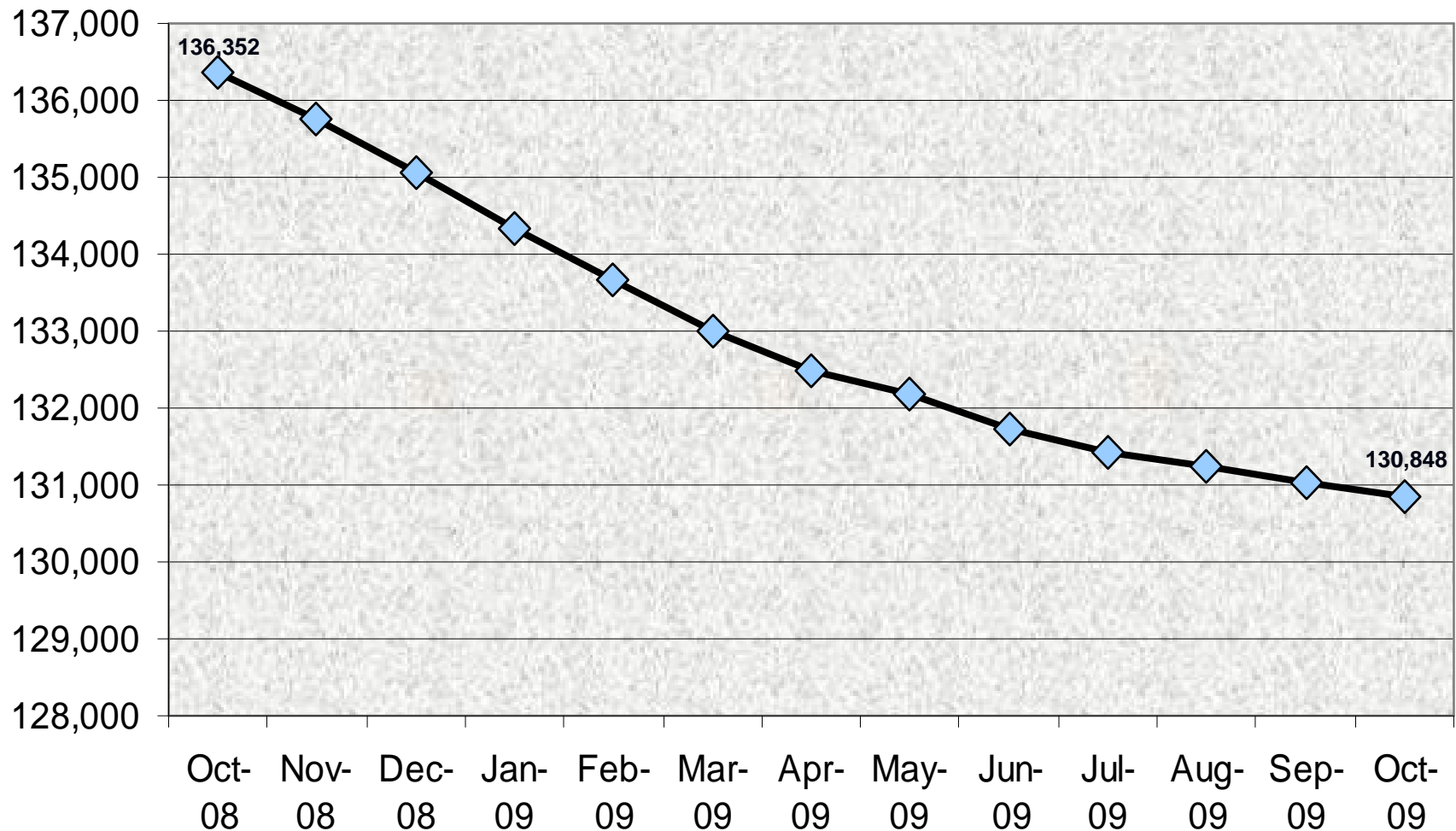
National Employment

U.S. Nonfarm Employment January 2007-October 2009 *(Seasonally Adjusted, in thousands)*



National Employment

(Seasonally Adjusted, in thousands)



October 2009 data are preliminary, all other 2009 data are revised and all 2008 data are benchmarked.

US Labor Force

United States Labor Force December 2007–October 2009 *(Seasonally Adjusted)*

	December 2007^B	October 2009^P	Net Change	Percent Change
Labor Force	153,836,000	153,975,000	139,000	0.1%
Employment	146,294,000	138,275,000	-8,019,000	-5.5%
Unemployment	7,541,000	15,700,000	8,159,000	108.2%
Unemployment Rate	4.9	10.2	5.3	XXX

National Situation

- As of October, 2009
 - 8.1 million more individuals unemployed in the United States than there were in December 2007
 - Lost 7.3 million jobs
 - Need to add 121,733 net jobs a month for the next 60 months to reach December 2007 employment levels

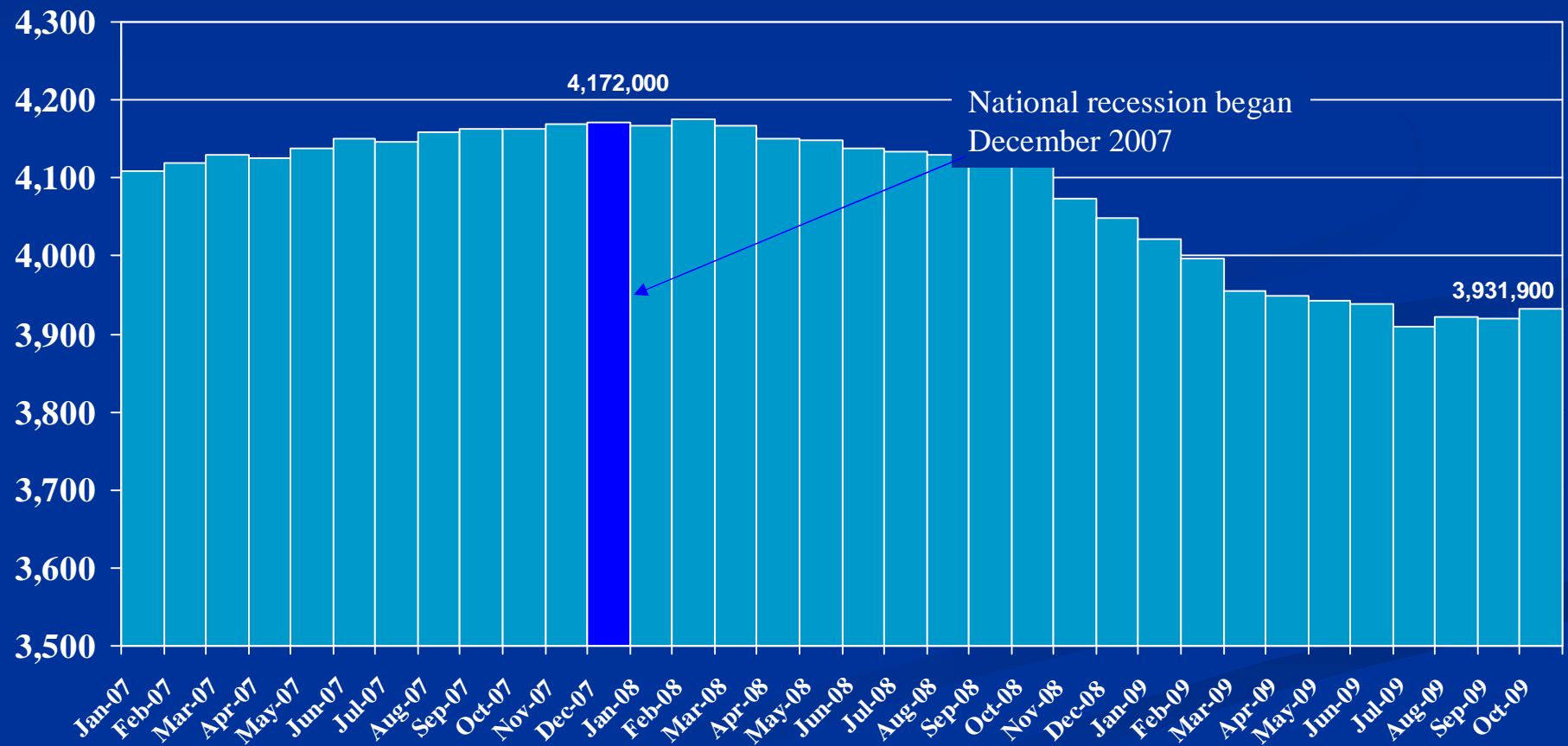
North Carolina Situation

- **Between December 2007 and October 2009**
 - **Decrease of 240,100 (5.8%) total Nonfarm jobs**
 - **156,400 Goods Producing**
 - 90,700 - Manufacturing
 - 65,100 - Construction
 - **83,700 Service Providing**
 - 60,000 - Trade, Transportation & Utilities
 - 41,000 - Professional & Business Services
 - 12,300 - Financial Activities

North Carolina Employment

Nonfarm Employment January 2007-October 2009

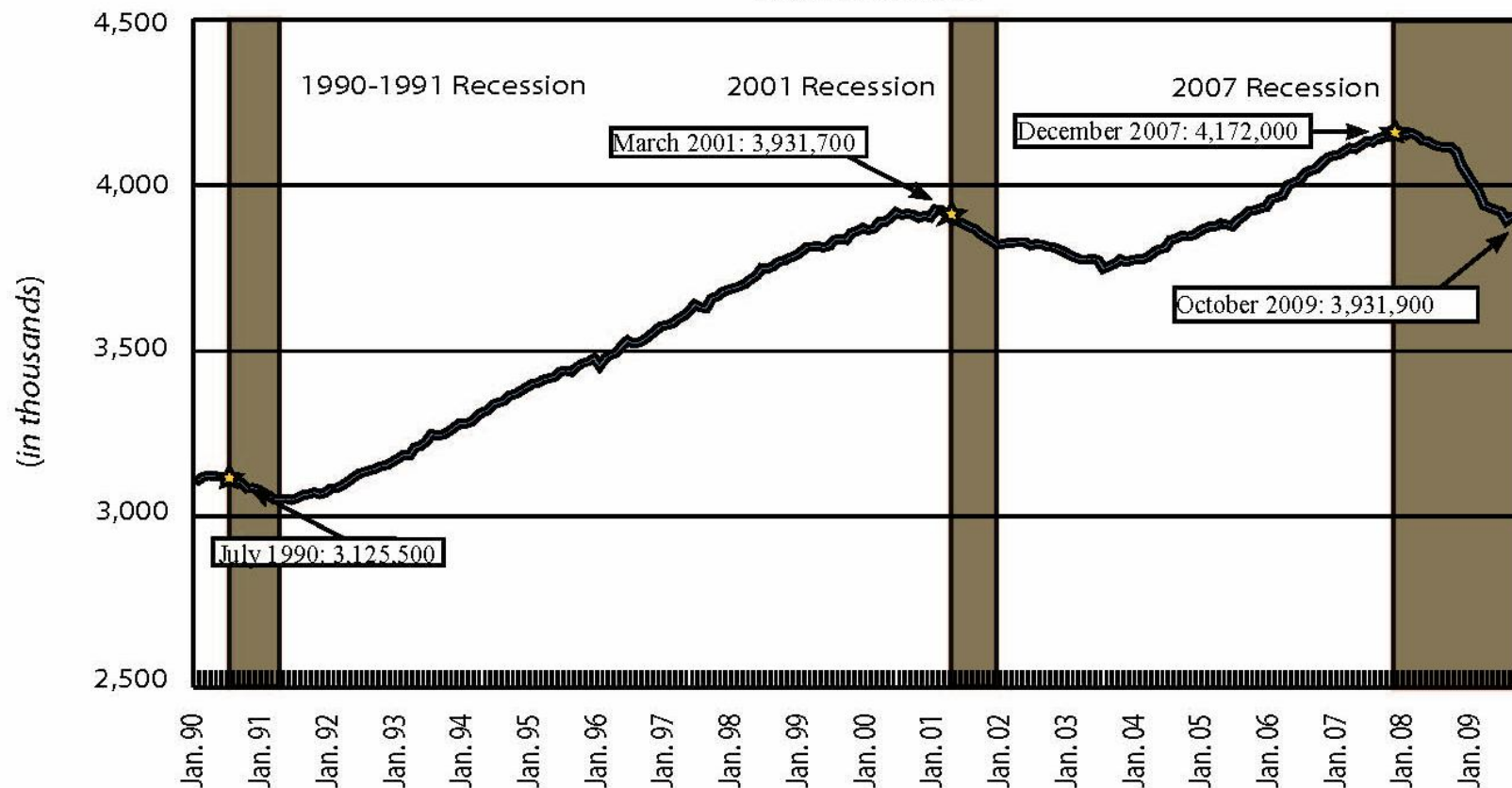
(Seasonally Adjusted, in thousands)



NORTH CAROLINA TOTAL NONFARM EMPLOYMENT JANUARY 1990-OCTOBER 2009

(SEASONALLY ADJUSTED)

— Total Nonfarm



Source: CES, LMI of ESC

Note: October 2009 data are preliminary, all other 2009 data are revised, while 1990-2008 data are benchmarked.

Recession periods documented in above graph represent the dates July 1990-March 1991, March 2001-November 2001 and December 2007 to present.

North Carolina Industry Employment
December 2007–October 2009
(Seasonally Adjusted, in thousands)

Industry	December 2007 ^B	Oct. 2009 ^P	Net Change	Percent Change
Total Nonfarm	4,172.0	3,931.9	-240.1	-5.8%
Goods Producing	792.9	636.5	-156.4	-19.7%
Service Providing	3,379.1	3,295.4	-83.7	-2.5%
Natural Resources & Mining	6.9	6.3	-0.6	-8.7%
Construction	252.9	187.8	-65.1	-25.7%
Manufacturing	533.1	442.4	-90.7	-17.0%
Durable Goods	287.1	224.4	-62.7	-21.8%
Nondurable Goods	246.0	218.0	-28.0	-11.4%

Industry	December 2007 ^B	Oct. 2009 ^P	Net Change	Percent Change
Trade, Transportation & Utilities	780.2	720.2	-60.0	-7.7%
Wholesale Trade	182.8	170.5	-12.3	-6.7%
Retail Trade	469.2	439.8	-29.4	-6.3%
Transportation, Warehousing & Utilities	128.2	109.9	-18.3	-14.3%
Information	72.3	66.8	-5.5	-7.6%
Financial Activities	212.1	199.8	-12.3	-5.8%
Finance & Insurance	157.8	150.5	-7.3	-4.6%
Real Estate & Rental Leasing	54.3	49.3	-5.0	-9.2%
Professional & Business Services	507.2	466.2	-41.0	-8.1%
Professional, Scientific & Technical	187.8	180.9	-6.9	-3.7%
Management of Companies	74.8	75.1	0.3	0.4%
Administrative & Waste Management	244.6	210.2	-34.4	-14.1%
Education & Health Services	533.1	546.4	13.3	2.5%
Educational Services	77.1	82.7	5.6	7.3%
Health Care & Social Services	456.0	463.7	7.7	1.7%
Leisure and Hospitality Services	399.1	390.1	-9.0	-2.3%
Arts, Entertainment & Recreation	52.7	50.0	-2.7	-5.1%
Accommodation & Food Services	346.4	340.1	-6.3	-1.8%
Other Services	180.3	171.5	-8.8	-4.9%
Government	694.8	734.4	39.6	5.7%
Federal	63.8	68.2	4.4	6.9%
State	197.3	199.0	1.7	0.9%
Local	433.7	467.2	33.5	7.7%

North Carolina Labor Force

North Carolina Labor Force
December 2007–October 2009
(Seasonally Adjusted)

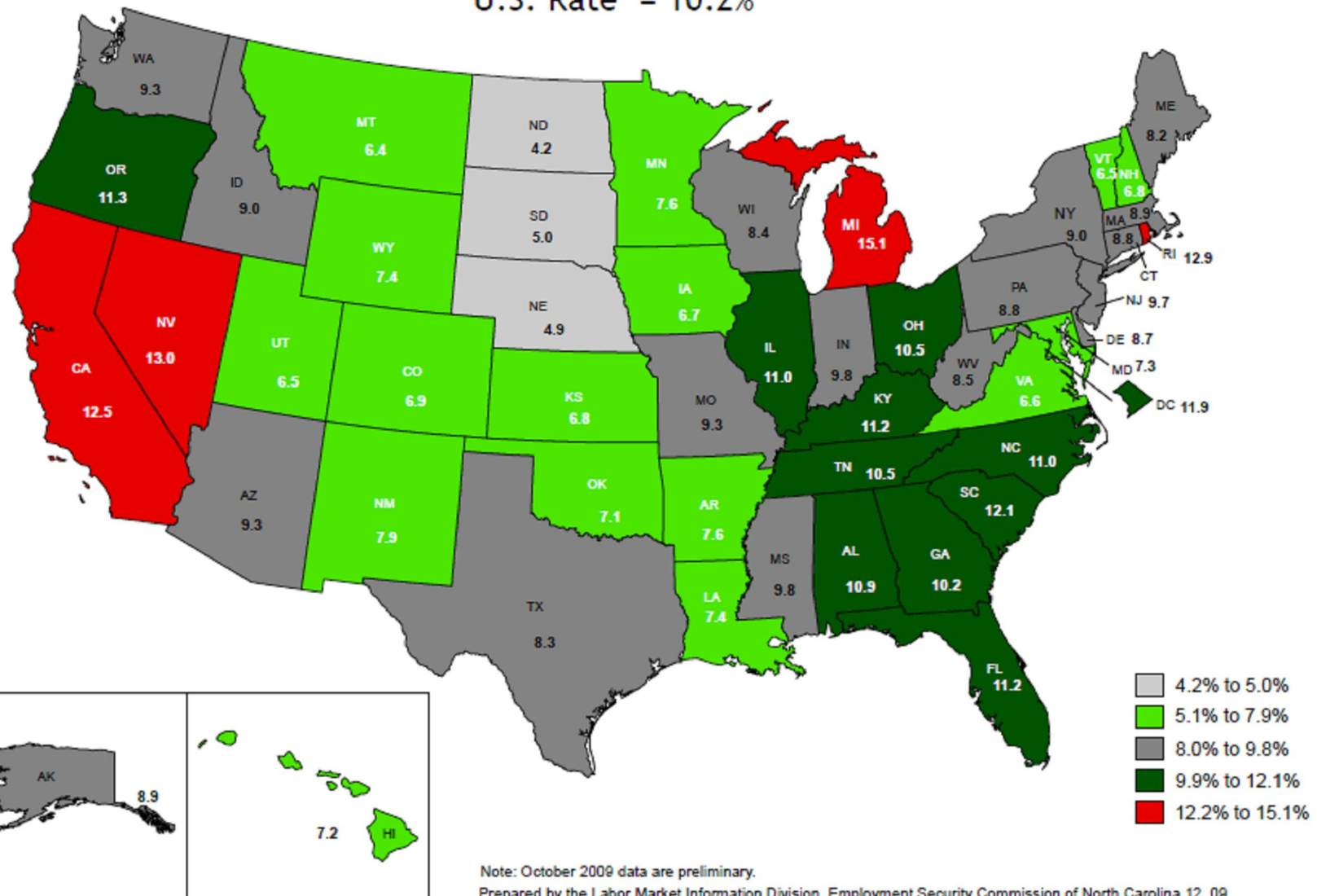
	December 2007^B	October 2009^P	Net Change	Percent Change
Labor Force	4,525,570	4,531,750	6,180	0.1%
Employment	4,299,675	4,035,471	-264,204	-6.1%
Unemployment	225,895	496,279	270,384	119.7%
Unemployment Rate	5.0	11.0	6.0	XXX

North Carolina Situation

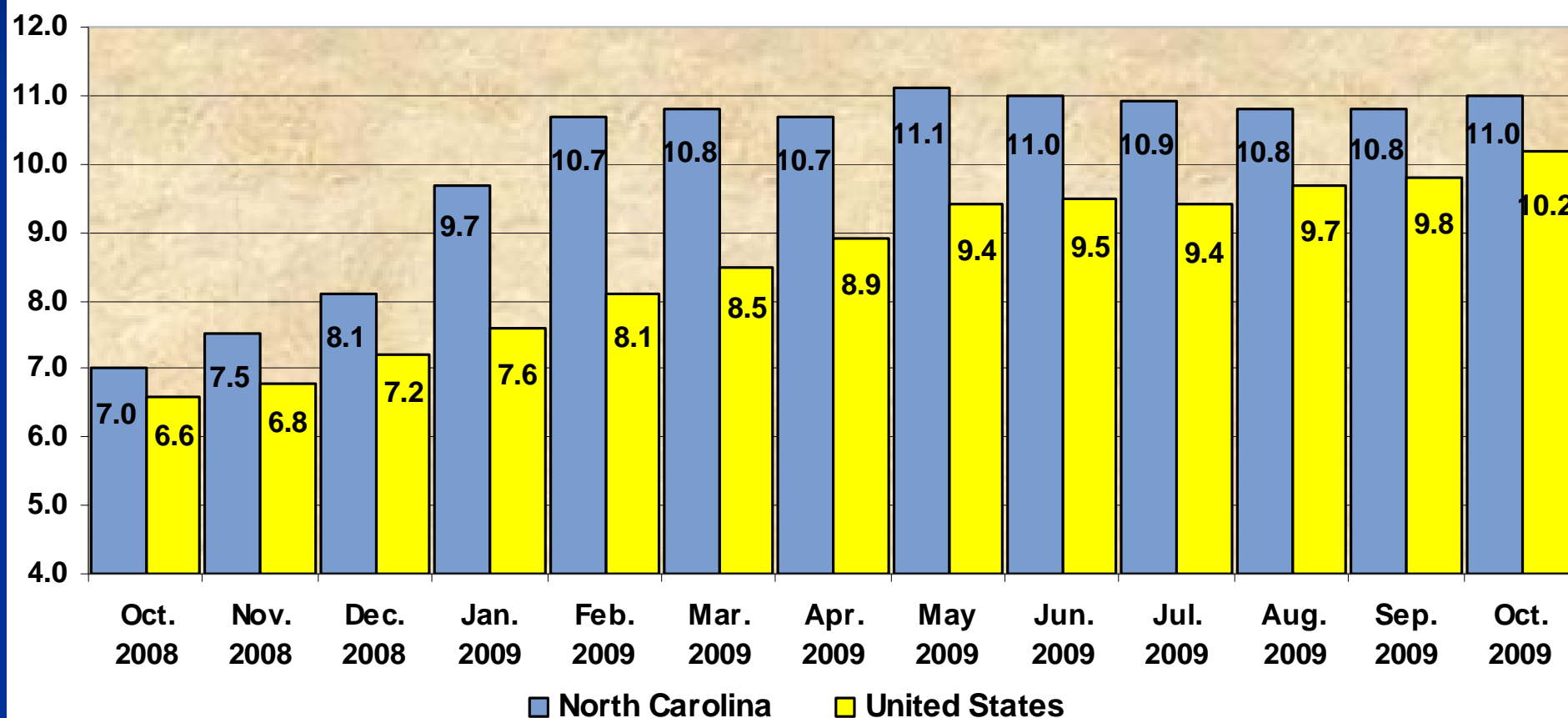
- As of October, 2009
 - 270,384 more individuals unemployed in North Carolina than there were in December 2007
 - Lost 240,100 jobs
 - Need to add 4,002 net jobs a month for the next 60 months to reach December 2007 employment levels

Unemployment Rates By State, Seasonally Adjusted October 2009

U.S. Rate = 10.2%



United States/North Carolina Unemployment Rates October 2008-October 2009



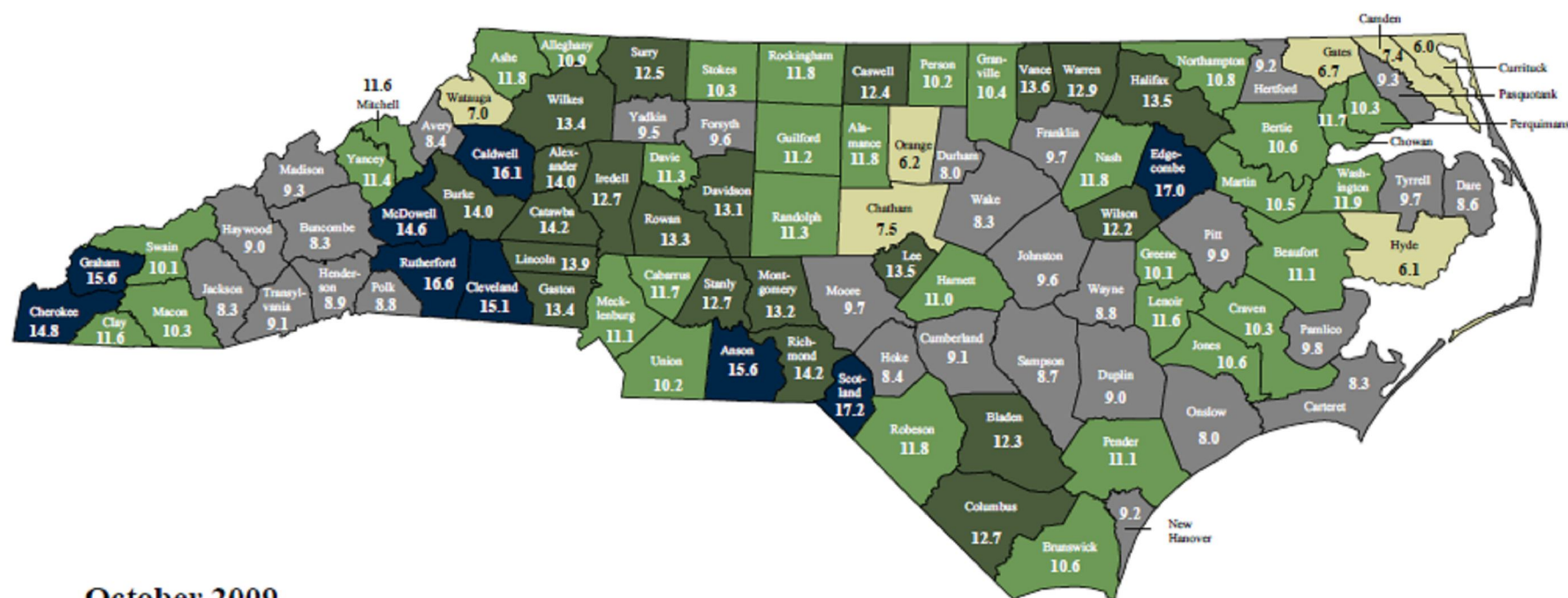
October 2009 data are preliminary, other 2009 data are revised and 2008 data are benchmarked.

States With the Highest Unemployment Rates, October 2009

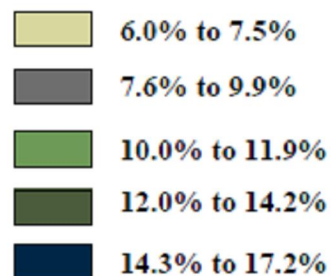
(Seasonally Adjusted)

	Labor Force	Unemployment Rate
Michigan	4,848.7	15.1
Nevada	1,387.4	13.0
Rhode Island	569.8	12.9
California	18,333.8	12.5
South Carolina	2,173.5	12.1
Oregon	1,956.9	11.3
Florida	9,174.8	11.2
Kentucky	2,070.9	11.2
Illinois	6,642.1	11.0
North Carolina	4,531.8	11.0
United States	153,975.0	10.2

North Carolina Unemployment Rates by County October 2009



October 2009



- △ 74 Counties Higher Than Previous Month
- ▽ 19 Counties Lower Than Previous Month
- = 7 Counties Same as Previous Month

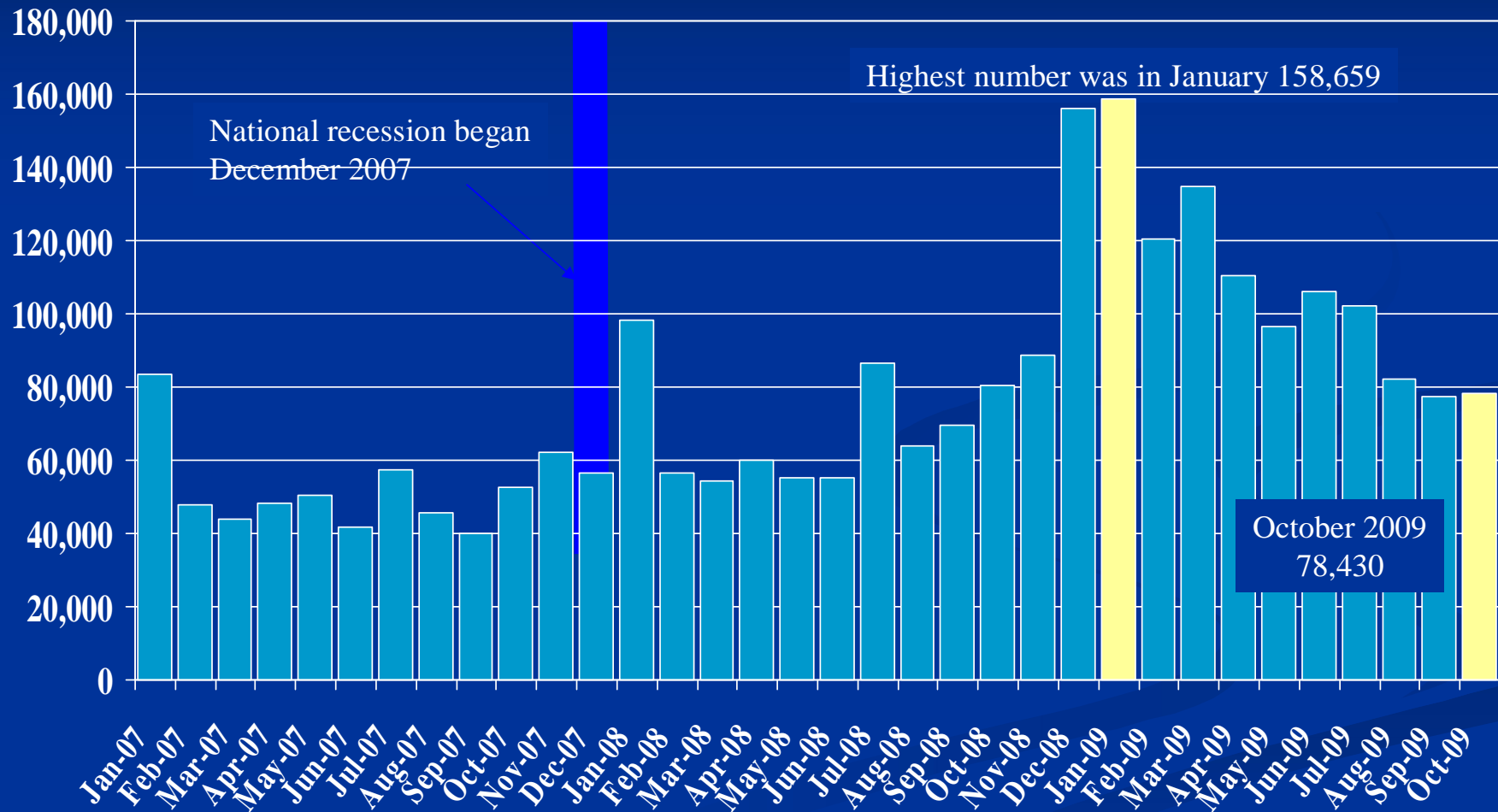
North Carolina Rate 10.7%
Not Seasonally Adjusted

Note: October 2009 data are preliminary.

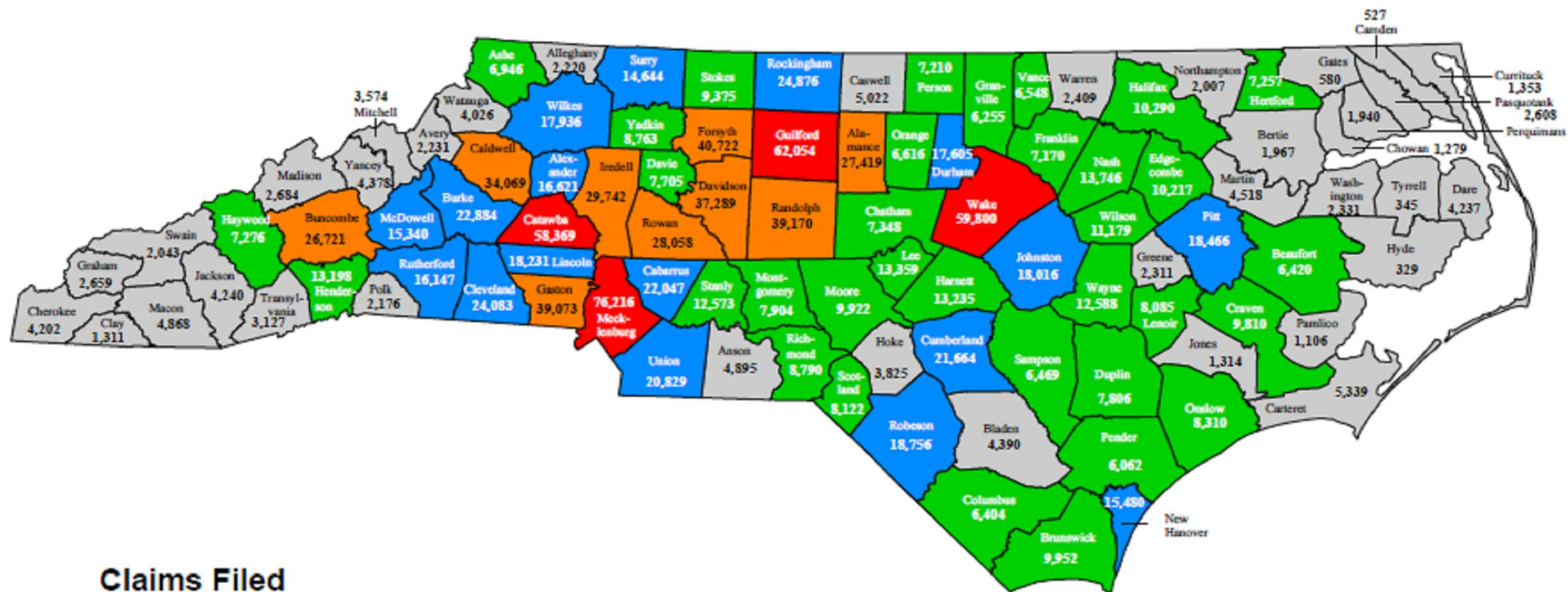
Prepared by the Labor Market Information Division, Employment Security Commission of North Carolina 11_2009

Regular Initial Claims

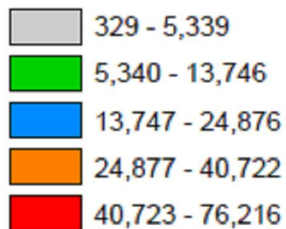
January 2007-October 2009



North Carolina Initial Claims Filed by County November 2008-October 2009



Claims Filed

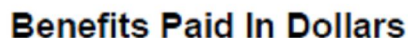


Statewide 1,311,997

Source: ETA Reporting

Prepared by the Labor Market Information Division, Employment Security Commission of North Carolina 11_2009

Total All Programs



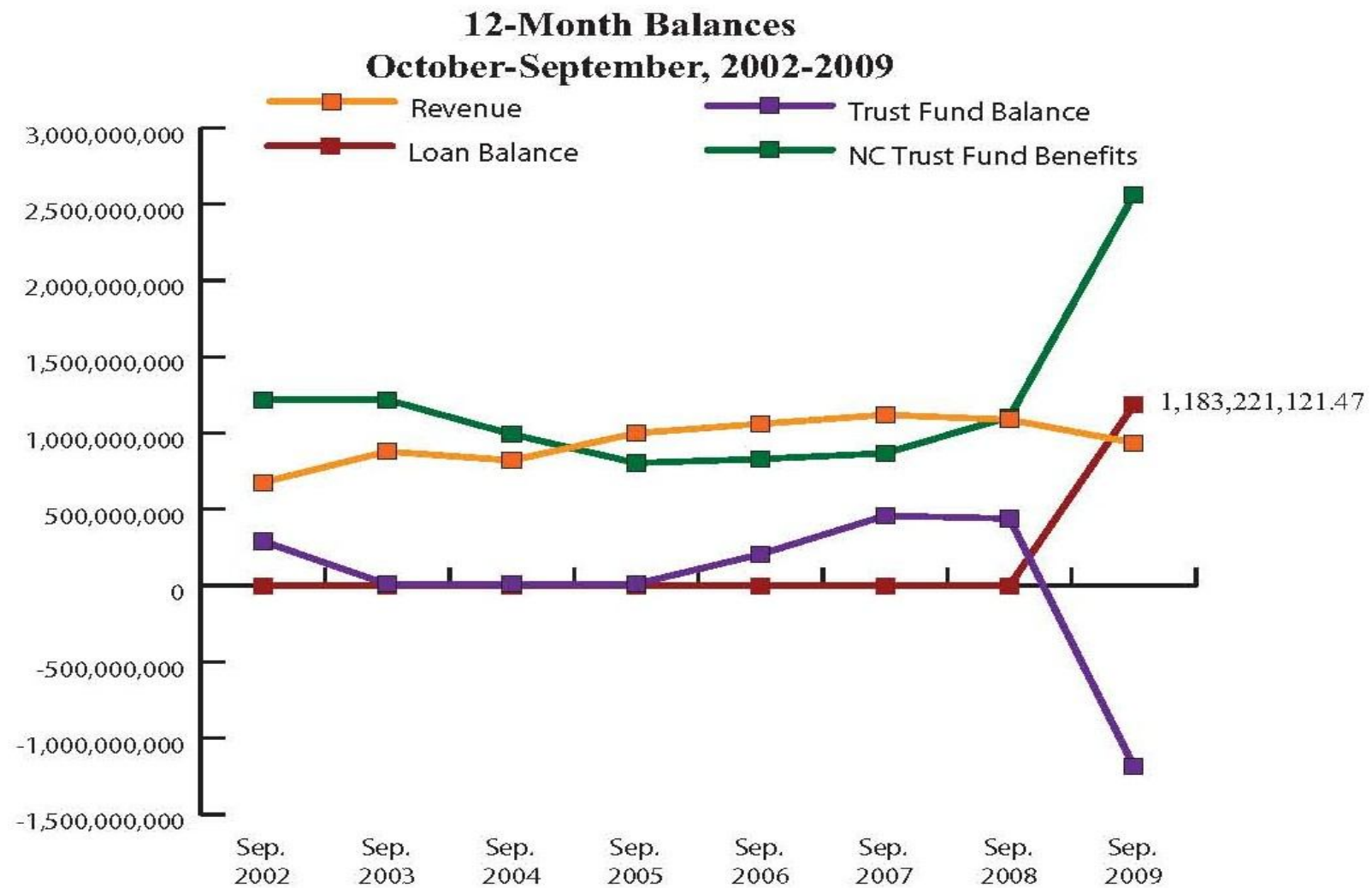
Statewide \$4,355,470,192.00

Note: All programs include Regular Unemployment Insurance (UI), Emergency Unemployment Compensation Tier I (EUCI), Emergency Unemployment Compensation Tier II (EUCII), Extended Benefits (EB) and Federal Additional Compensation (FAC). Country data does not sum to statewide total.

Source: Employment Security Commission of North Carolina (ESC), Information Systems (IS)

Prepared by the Labor Market Information Division, Employment Security Commission of North Carolina 11/2009

UI Trust Fund Update



Cash Flow

Cash Flow Yearly Rating Period, October-September

Year	Taxes		Total Taxes Available	Other Revenue*	NC Trust Fund Benefits Paid	Trust Fund Balance Ending
	UI	State Reserve				
2002	\$389,446,000.00	0.00	\$389,446,000.00	\$286,750,525.66	(\$1,217,072,665.36)	\$290,598,884.81
2003	\$675,170,000.00	\$190,479,731.90	\$865,649,731.90	\$13,047,279.69	(\$1,217,867,539.92)	\$8,966,270.34
2004	\$818,819,377.02	0.00	\$818,819,377.02	\$1,657,225.99	(\$991,827,865.79)	\$10,077,093.70
2005	\$892,285,000.00	\$106,294,330.45	\$998,579,330.45	\$566,835.60	(\$803,420,374.82)	\$10,802,884.93
2006	\$939,110,000.00	\$115,783,000.00	\$1,054,893,000.00	\$5,023,190.78	(\$829,742,442.40)	\$205,976,633.31
2007	\$933,719,514.80	\$171,646,000.00	\$1,105,365,514.80	\$13,436,761.89	(\$867,051,808.80)	\$457,727,101.20
2008	\$893,872,291.51	\$172,269,000.00	\$1,066,141,291.51	\$20,894,327.26	(\$1,105,240,044.14)	\$439,522,675.83
2009	\$820,216,000.00	\$111,194,000.00	\$931,410,000.00	\$4,716,910.30	(\$2,558,870,707.60)	(\$1,183,221,121.47)

* Note: Other Revenue includes interest and Reed Act distribution in 2002 (\$243M).

Tax Information

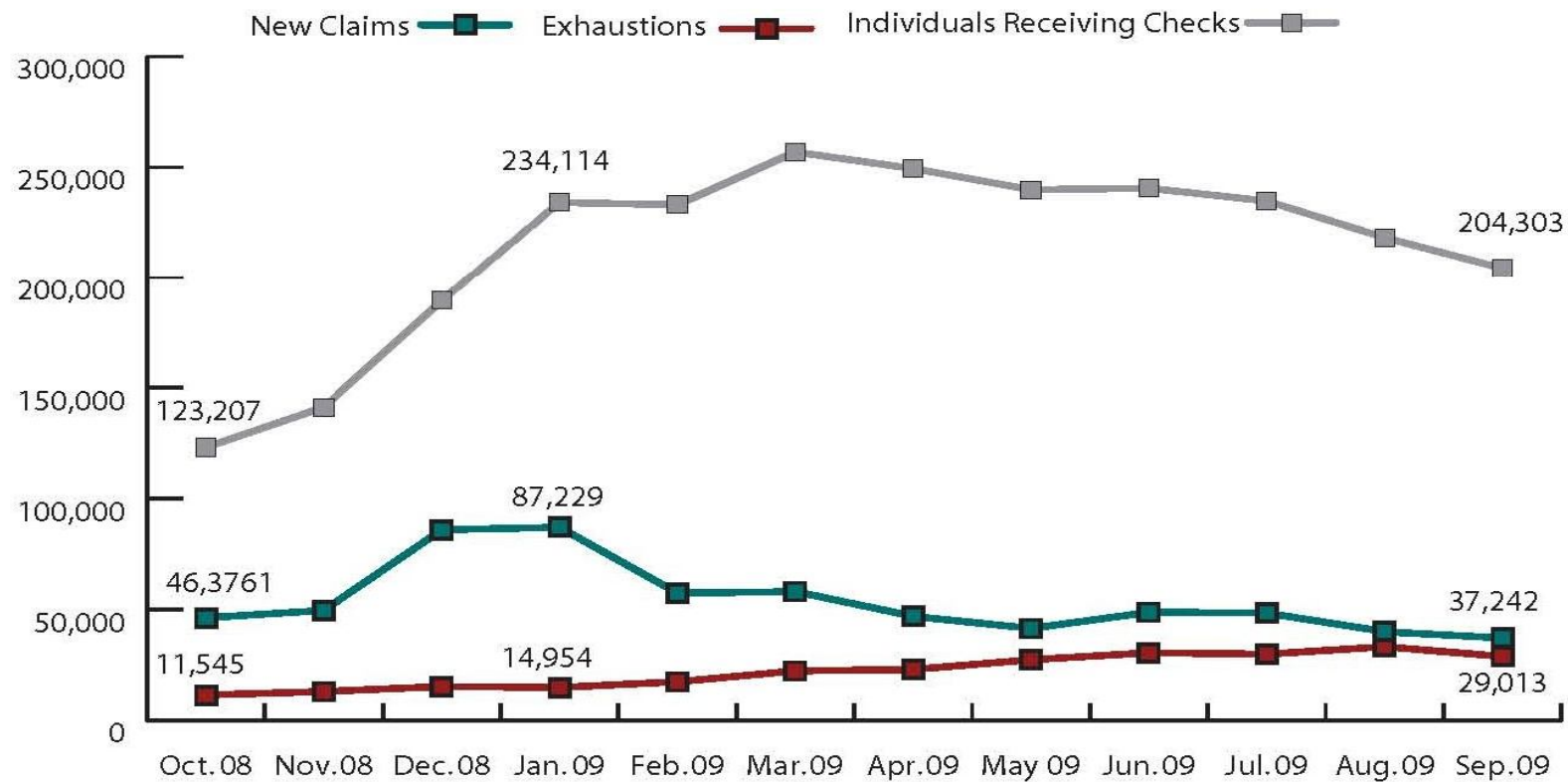
Quarterly Employer Tax Information 1st Qtr. 2007-2nd Qtr. 2009

Qtr	Employer Contributions	Average Tax Rate	Taxable Wages	Covered Employers	Covered Employees
Qtr 1, 2007	\$466,072,971.52	1.923%	\$24,229,934,249.03	193,623	3,694,424
Qtr 2, 2007	\$282,242,864.56	1.901%	\$14,842,747,613.62	195,349	3,830,265
Qtr 3, 2007	\$163,714,353.08	1.837%	\$8,910,366,098.18	196,537	3,881,880
Qtr 4, 2007	\$115,870,197.08	1.803%	\$6,425,156,076.38	197,613	3,787,884
Qtr 1, 2008	\$461,883,731.04	1.840%	\$25,096,526,843.96	195,768	3,663,856
Qtr 2, 2008	\$274,760,264.55	1.812%	\$15,157,252,381.55	196,976	3,756,410
Qtr 3, 2008	\$155,522,469.96	1.737%	\$8,951,717,528.66	197,333	3,784,508
Qtr 4, 2008	\$102,479,550.66	1.706%	\$6,005,200,911.40	197,380	3,616,789
Qtr 1, 2009	\$402,488,067.60	1.718%	\$23,421,164,051.60	195,194	3,345,599
Qtr 2, 2009	\$238,192,452.37	1.689%	\$14,102,226,642.92	197,139	3,360,822

Regular UI Claims and Exhaustions

**Regular UI New Claims (Interstate & Intrastate) and Exhaustions
October 2008-September 2009**

Regular UI Exhaustions	268,836
Regular UI New Claims	648,718
Individuals Receiving Regular UI	590,738



UI Benefits Paid

**Total State and Federal Benefits
October 2008-September 2009**

Total All Programs	\$4,155,490,329.22
Total NC Benefits	\$2,558,870,707.60

